

## **OVERVIEW OF COMPENSATION BOARD FY06 BUDGET PRIORITIES AND POLICIES**

- **Salary Increases:** The 2005 General Assembly has provided for a 4.4% salary increase effective December 1, 2005 for all constitutional officers and their employees. This will be an across the board salary increase for all Compensation Board funded permanent positions. No performance-based pay increases have been provided. Funding for these increases is in addition to the base salaries approved on April 27, 2005, and the increased salary amounts will be reflected in the reimbursement system in December. (The salary increase for Sheriffs, Deputies and Regional Jail officers was increased from 3% to 4.4% at the General Assembly "Veto" Session on April 6, 2005. Media reports that Sheriffs and Deputies would get a 3% raise plus \$50 per year of service over 5 years were incorrect.)
- **Annual Leave:** The annual leave payoff reimbursement was eliminated in FY04 and not reinstated.
- **Training Events:** Additional allowance funding is not available for the reimbursement of attendance at non-Compensation Board-sponsored training events, such as VALECO, LGOC, and the Association's annual meeting. However, attendance at these events is considered a reimbursable expense if funds are available in your budget. All Officers will continue to be reimbursed for the approved travel-related expenses associated with attending Compensation Board-sponsored training events such as Lawful Employment and New Officer training.
- **Transfer Policy:** The policy restricting transfer of accumulated vacancy funds in Sheriffs' Offices and Regional Jails will be reinstated in FY06. For all other constitutional officers, vacancy savings are not being used by the Compensation Board to meet budget reductions; consequently, you will be able to use accrued vacancy savings to offset your individual office budget reductions.
- **Office Equipment Funding:** No funding has been provided for office equipment for any Commonwealth's Attorneys, Treasurers or Commissioners of the Revenue. For Sheriffs and Regional Jails, no funding will be provided for any office equipment except some approved requests for Livescan (Clerks' Technology Trust Funds are not a part of your base budget funds and are handled separately in the late summer to early fall).
- **Appeals Moratorium:** The General Assembly has continued language in the Appropriation Act providing for a moratorium on appeals from constitutional officers against budgets set by the Compensation Board. This moratorium extends through FY06.
- **Partial Restoration of Commonwealth's Attorneys' Budget Reductions:** At the 2004 "Veto" Session, the General Assembly approved an additional \$552,500 in FY05 and \$1,105,000 in FY06 to partially restore Commonwealth's Attorneys' budget reductions. At the request of the Virginia Association of Commonwealth's Attorneys (VACA), the Compensation Board has included in each Commonwealth's Attorney's FY06 budget the pro-rata share of the FY06 amount based upon the amount of their FY04 Compensation Board budget reduction. The additional amount has been provided

in the Commonwealth's Attorneys' office expense budget line item; Commonwealth's Attorneys may transfer these funds to other areas of their budgets as they deem appropriate, per the transfer policies referenced herein. Further information will be provided to Commonwealth's Attorneys next week regarding a one-month period during which transfers of these funds to other line items should be initiated.

- **New Positions, Commonwealth's Attorneys:** The Appropriation Act includes language and funding to increase the number of positions provided in the Governors' Budget Bill to 72 (46 assistant attorneys, 20 secretaries, and 6 paralegals), as part of a 3-year plan to meet Commonwealth's Attorneys' total staffing need. Compensation Board approved budgets include the allocation of these positions based upon Compensation Board Staffing Standards. A spreadsheet showing the allocation of all new positions is on the Compensation Board website under Constitutional Officers Budgets and Salaries.
- **Conversion of Part-time to Full-Time:** Compensation Board approved FY06 budgets include funding to support the conversion of part-time Commonwealth's Attorneys' offices in Dinwiddie, Greene, and King William counties to full-time status, effective July 1, 2005.
- **Career Prosecutor Program:** No additional funding for the Commonwealth's Attorneys' Career Prosecutor program is available. Any office that had positions classified as career prosecutors at the end of FY02 will retain funding for those positions, but there is no further funding available for the career prosecutor program for any positions that had not been classified as career prosecutor as of May 1, 2002. Any office wishing to have positions reclassified to career prosecutor in the future will need to follow a procedure to opt-in to the program, and additional funds will need to be requested for appropriation to the Compensation Board by the General Assembly. **To opt into the program, submit the Career Prosecutor form to the Compensation Board by July 1 of each year for approval of funding for the program the following July 1 (i.e. offices without funding for Career Prosecutors should submit the opt-in form by July 1, 2005 to request participation and funding effective July 1, 2006).**
- **New Positions, Sheriffs & Regional Jails:** In addition to 28 law enforcement positions included in the Governor's Budget, the General Assembly approved 2 law enforcement positions, for a total of 30 new positions, to fully comply with 1:1500. The Appropriation Act also includes \$4.9 million in funding to support 230 positions for the construction of the Middle River Regional Jail and the expansion of the Loudoun County jail, as well as 40 emergency corrections officer positions to address security needs in the most severely overcrowded jails.
- **Sheriffs' Career Development Programs:** The Appropriation Act includes language and funding of \$240,089 to establish a Sheriffs' Career Development Program. The Compensation Board will adopt minimum criteria for this program by August 1, 2005, will include a certification process in the fall, and implementation of related salary increases of 3.1% to 9.3% will be effective December 1, 2005. The Career Development Program will include two tracks: one for offices accredited by certain law enforcement standards committees/associations, and offices without such accreditations.
- **Jail Per Diem Payments:** Appropriation Act funding for jail per diem payments in FY06 remains the same for FY06 as was originally budgeted. Based on the most recent

inmate population forecasts from last fall, the per diem cost in FY06 of projected inmate growth is \$4.8 million, or approximately 25% of one quarterly payment. This projection will be revised in the upcoming fall, prior to the 2006 session of the General Assembly, and opportunity still exists in the next session to meet a potential funding need if a shortfall still exists, prior to the payment of the 4th quarter payment in April 2006.

- **Technology Trust Funds:** Appropriation Act language provides for the continued use of \$1.49 million of Technology Trust Funds (TTF) in FY06 to offset general fund budget reductions. As requested by the Virginia Court Clerks Association (VCCA) in FY04, the Compensation Board has continued the offset budget reductions by this amount.

The Appropriation Act also includes a transfer of \$115,696 of TTF to the General Fund in FY06.

- **Clerks' Population Group Change:** Language and funding is included to split the Clerk's 100,000 – 249,999 population bracket into two separate groups: 100,000 – 174,999 and 175,000 – 249,999, providing pay increases for Clerks in the new 175,000 – 249,999 population bracket effective December 1, 2005. The new salary for these officers effective December 1, 2005, including the 4.40% salary increase also provided December 1, 2005, will be \$122,291. This change will affect Clerks in the cities of Richmond, Newport News, Chesapeake and Norfolk and the counties of Loudoun and Arlington.
- **Clerks' Audit Issues:** The Appropriation Act includes language that links General Assembly approved salary increases for Circuit Court Clerks to audit performance. Any circuit court clerk who does not correct an internal control matter identified by the Auditor of Public Accounts by the immediately subsequent audit report shall not receive a salary increase.
- **Commissioners of the Revenue Career Development Programs:** Language and funding were provided in the Appropriation Act for the implementation of a Commissioners of the Revenue Career Development Program (CDP) in FY05, continuing in FY06. Associated pay increases for this program are effective December 1 of each year for a 12-month period. Officers certified and approved for salary increases effective December 1, 2004 are already included in the FY06 approved budget. Certification for participation in FY06 was completed during the fiscal year 2006 budget process in January, and the approved salary increases for December 1, 2005 are displayed as an attachment to the May 1 approved budget, available for download and printing from the COIN Budget Request Subsystem

To download and print your FY06 approved budget, with the attached approved CDP salary increases to be effective December 1, 2005, please see the COIN Budget Downloading and Printing Instructions in the COIN section of the Compensation Board's website.

- **Deputy Treasurers and Deputy Commissioners of the Revenue Career Development Programs:** Language and funding were provided in the Appropriation Act for the implementation of Deputy Treasurers and Deputy Commissioners of the Revenue Career Development Programs (CDP) in FY06, including associated 9.3% salary increases effective December 1, 2005. Certification for participation for each program

was completed during the fiscal year 2006 budget process in January, and the approved salary increases for December are displayed as an attachment to the May 1 approved budget, available for download and printing from the COIN Budget Request Subsystem.

Staff positions classified with a prefix of "M" in a Treasurer or Commissioner of the Revenue's approved Compensation Board budget will receive a 9.3% salary increase effective December 1, 2005. Per the provisions of §15.2-1636.14 Code of Virginia, local governments are required to provide 50% of this amount.

To download and print your FY06 approved budget, with the attached approved CDP salary increases to be effective December 1, 2005, please see the COIN Budget Downloading and Printing Instructions in the COIN section of the Compensation Board's website.

- **June Payroll Shift:** Based upon action by the 2002 Session of the General Assembly, the Compensation Board's reimbursement cycle for fiscal year payroll and expenses has permanently changed. While the Compensation Board has always reimbursed expenditures one month in arrears, prior to FY02 it included an accelerated schedule in June to reimburse both May and June expenditures prior to the end of the fiscal year. In FY02, localities did not receive a reimbursement for June expenditures. Instead, June 2002 expenditures were reimbursed in the month of July 2002, or the beginning of FY03. Beginning in FY03 and for every year thereafter, localities have received reimbursements for the months of June through May. In FY06, this reimbursement schedule has remained the same, with localities receiving reimbursement payments for the months of June 2005 through May 2006 in the months of July through June. This has not changed the budget cycle for the fiscal year, however, which is still established on a fiscal year cycle, beginning July 1 and ending June 30. Because of this change, officers should keep in mind that expenditures in the month of June of each year will be reimbursed out of budgeted funds available for the following fiscal year.

### **Transfer Policy, FY06**

- No Transfers or other use of any accrued vacancy savings for Sheriffs and Regional Jails:
  - Exception – one time approval of full salary amount transferred from permanent salaries to other budget category for yearlong vacancy. **Sheriffs and Superintendents who wish to leave permanent positions vacant for the entire fiscal year and transfer the funds to other budget areas should submit their requests to the Compensation Board not later than June 15 for Compensation Board action on July 22.**
  - Exception – transfer of remaining salary funds will be approved for positions held vacant under the position reallocation policy
  - Exception – transfer of remaining salary funds will be approved for positions which become vacant as a result of the incumbent being called to active military duty.
- Turnover funds can be used by ALL offices as follows:
  - Restoration to prior base salary amount for employees with salaries reduced due to across-the-board budget reductions

- Salary increases in accordance with Compensation Board policy
- Base transfer to Office Expenses
- Base transfer to Temporary
  - Exception – no base transfers **to** Temporary for Clerks, Treasurers, Commissioners of the Revenue with positions in **excess** of staffing standards (one-time transfers only)
- Base transfers allowed between Office Expense and Temporary (requires Compensation Board action)
  - Exception – no base transfers **from** Temporary for Clerks, Treasurers, Commissioners of the Revenue **due** positions based on staffing standards (one-time transfers only)
  - Exception – no base transfers **to** Temporary for Clerks, Treasurers, Commissioners of the Revenue with positions in **excess** of staffing standards (one-time transfers only)
- One-time transfers allowed from Temporary or Office Expenses to Equipment not to exceed \$10,000 per month (not in the base)
- One-time transfers allowed from Temporary to Office Expenses not to exceed \$10,000 per month (not in the base)
- One-time transfers allowed from Office Expenses to Temporary not to exceed \$10,000 per month (not in the base)

### **Requests for Additional Compensation Board Funding**

- Requests for additional funding in any budget category have little chance of approval.

### **Exceptions**

- The Compensation Board will consider exceptions to these policies upon written request of Constitutional Officers or Jail Superintendents.

If you have further questions, please contact a member of the Compensation Board staff:

County Sheriffs – Rick Burkett (804) 786-0786 x 208 – [rick.burkett@scb.virginia.gov](mailto:rick.burkett@scb.virginia.gov)

City Sheriffs & Regional Jails – Kimberlee Goins (804) 786-0786 x 209 – [kimberlee.goins@scb.virginia.gov](mailto:kimberlee.goins@scb.virginia.gov)

Commissioners of the Revenue, Treasurers and Finance Directors – Kari Bullock (804) 786-0786 x 219 – [kari.bullock@scb.virginia.gov](mailto:kari.bullock@scb.virginia.gov)

Commonwealth's Attorneys & Clerks – Paige Curtis (804) 786-0786 x 217 – [paige.curtis@scb.virginia.gov](mailto:paige.curtis@scb.virginia.gov)

Clerks' Technology Trust Funds – Lisa Carson (804) 786-0786 x 202 – [lisa.carson@scb.virginia.gov](mailto:lisa.carson@scb.virginia.gov)

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